

Use Tax Information and Instructions for Form ST-44

What is a use tax?

A use tax is a tax upon the privilege of using tangible personal property in Illinois. It is designed to distribute the tax burden fairly among Illinois consumers and to assure fair competition between Illinois businesses and out-of-state businesses. Illinois law requires you to pay tax at the Illinois rate when you buy an item from another state or country to use in Illinois.

Is Illinois increasing its efforts to collect use taxes?

Yes, Illinois is increasing its efforts to collect use taxes. Illinois shares sales information with other states and bills Illinois residents for unpaid tax, penalty, and interest. Illinois also gathers information on overseas purchases from the U.S. Customs Service. (Use tax is due whether or not an item has to be declared or is subject to duty tax.) Illinois also encourages out-of-state businesses to register and collect the tax voluntarily as a convenience to their customers. If they do not, we can bill their Illinois customers directly.

What forms are used to report and pay use tax on items purchased from another state or country?

- cigarettes — Form RC-44
- motor vehicles, watercraft, aircraft, or trailers purchased from an out-of-state dealer — Form RUT-25
- purchases made by registered retailers or servicepersons — Form ST-1
- general merchandise (not otherwise specified) and food, drugs, and medical appliances — Form ST-44

What forms are used to report and pay use tax due on certain transactions that occur in Illinois?

- motor vehicle acquired by non-retail purchase — Form RUT-50
- aircraft or watercraft acquired by gift, transfer, or non-retail purchase — Form RUT-75

When do I owe Illinois Use Tax?

You owe Illinois Use Tax and must complete Form ST-44 if the person or business from which you bought general merchandise or food, drugs, and medical appliances did not collect Illinois Sales Tax (*e.g.*, purchases from catalogs, TV advertisements, magazines, the Internet); **and**

- the items purchased are taxable in Illinois;
- you will use or consume these items in Illinois; **and**
- you have not yet paid Illinois Sales Tax or an equivalent amount to another state.

If you paid the Illinois Use Tax due for cigarette purchases when you filed Form RC-44, do not include the cost from those cigarette purchases in the figure you report on Line 1a.

Note: Some out-of-state businesses collect Illinois Sales Tax, and their customers pay the tax just as they would pay state sales tax to an Illinois retailer. You can check your receipt or invoice to determine if Illinois Sales Tax was collected.

When paying use tax on Form ST-44, may I take credit for taxes paid to another country or state?

If you purchase any item from **another country**, you must pay Illinois the full use tax rate.

If you purchase an item from **another state** and you properly paid tax to the other state, you may take credit for the tax paid. If you paid tax at a rate lower than the Illinois rate, you must pay Illinois the difference.

When is Form ST-44 due?

If your total tax liability for the year is

- \$600 or less, you may pay the tax for the entire year (January 1 through December 31) by filing Form ST-44 on or before April 15 of the following year; or
- greater than \$600, you must pay the tax by the last day of the month following the month in which the purchase was made.

You must pay the Illinois (Sales) Use Tax no later than 30 days after you purchase or acquire cigarettes for use in Illinois.

Is there anything else I need to know about completing this form?

- When writing your figures, please use whole dollar amounts by dropping amounts of less than 50 cents and increasing amounts of 50 cents or more to the next higher dollar.
- **MAKE** your check payable to the "Illinois Department of Revenue."
- **DO NOT** attach your check **OR** this form to any other return.
- **WRITE** "ST-44" on your check and attach it this form (ST-44).
- **MAIL** all other forms separately.
- **MAIL** this form (ST-44) to:
ILLINOIS DEPARTMENT OF REVENUE
RETAILERS' OCCUPATION TAX
SPRINGFIELD, IL 62776-0001
- **KEEP** a copy of your completed return for your records.

What if I do not file my return or pay the use tax due on time?

You owe a **late-filing penalty** if you do not file a processable return by the due date, a **late-payment penalty** if you do not pay the amount you owe by the original due date of the return, a **bad check penalty** if your remittance is not honored by your financial institution, and a **cost of collection fee** if you do not pay the amount you owe within 30 days of the date printed on an assessment. Interest is calculated on tax from the day after the original due date of your return through the date you pay the tax. We will bill you for penalties and interest. For more information about penalties and interest, see Publication 103, Penalties and Interest for Illinois Taxes. To receive a copy of this publication, visit our web site at tax.illinois.gov or call us at 1 800 356-6302.

How do I get help?

If you have questions, you may

- visit our web site at tax.illinois.gov
- call our Taxpayer Assistance Division at 1 800 732-8866 or 217 782-3336
- call our TDD (telecommunications device for the deaf) at 1 800 544-5304
- write us at

ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19044
SPRINGFIELD IL 62794-9044